DOCUMENT RESUME

ED 403 425 CE 073 274

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TITLE Approaches to Forming a Learning Consortium. Issues to Address. Business Assistance Note #3.
INSTITUTION National Alliance of Business, Inc., Washington, D.C.
PUB DATE [96]
NOTE 8p.; Adapted from ED 391 048. Product of the National Workforce Assistance Collaborative.
AVAILABLE FROM National Alliance of Business Distribution, P.O. Box 501, Annapolis Junction, MD 20702 (800/787-7788; fax: 301/206-9789; e-mail: info@nab.com; World Wide Web: http://www.psu.edu/institutes/nwac).
PUB TYPE Guides - Non-Classroom Use (055)

EDRS PRICE MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS Adult Education; *Consortia; *Cooperative Programs; Coordination; *Educational Cooperation; *Institutional Cooperation; Job Training; *Labor Force Development; Program Development; *Shared Resources and Services; Vocational Education

ABSTRACT

A learning consortium is a group of companies that come together to learn from each other to develop new capabilities, build the skills of their employees, and increase the productive capacities of their enterprises. Most undertake both work force and workplace development efforts. Although the key feature is cooperative learning, most learning consortia also engage in collective learning. The following issues are involved in forming a learning consortium: creating a concept; building a membership; creating an organization; establishing a mission and goals; assessing needs; developing a program; delivering the program; evaluating the consortium; and building sustainability. Learning consortia provide economic benefits to companies, employees, and the communities in which they reside. The process of working together as a group and learning cooperatively is extremely powerful. Through consortia, training costs can be reduced, resources expanded, and relevance improved. Success factors include the following: (1) build on the success of earlier efforts; (2) establish trust among members; (3) find a highly skilled facilitator to work with the consortium; (4) develop a common mission that all members can support; (5) involve people from all levels of participating organizations; (6) continually improve and redesign programs and services; (7) create a sense of permanence and stability; and (8) demonstrate to members that participation will benefit them directly. (YLB)

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ED 403 425

Approaches to Forming a Learning Consortium
Issues to Address

Business Assistance Note #3

National Alliance of Business

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NATIONAL WORKFORCE ASSISTANCE COLLABORATIVE

BUSINESS ASSISTANCE NOTE #3

PREPARED BY THE NATIONAL ALLIANCE OF BUSINESS

Approaches to Forming A Learning Consortium

Issues to Address

Learning consortia – groups of companies that voluntarily join together to learn from each other – are *hot*. More and more are being formed in this country on a seemingly daily basis. Experts in this area note that of the four basic functions of business consortia – sharing production, sharing marketing, sharing resources, and sharing learning – sharing learning is the most prevalent in the United States today.

Many small and mid-sized businesses lack the time, money, and staff expertise to single-handedly develop and implement a plan for increasing productivity. By joining together into learning consortia, however, these same companies can share the costs of needed expertise, and more important, share their own knowledge and experience about what works and how.

Learning consortia can be formed by the member companies themselves, or they can be developed with the assistance of some outside entity, such as an education and training supplier, manufacturing extension program or center, economic development institution, business or trade association, union, business management consultant, or large company customer that wants to improve the productivity of its small company suppliers.

This *Business Assistance Note* will help individuals from any of these groups to organize and support a learning consortium. It will show that:

- ❑ A learning consortium is much more than a forum for sharing training and reducing training costs;
- ❑ There is no single approach to organizing and supporting a consortium, though every consortium will need to address the issues of concept, membership, organization, mission and goals, assessment, program development, program delivery, evaluation, and sustainability;
- ❑ Learning consortia provide economic benefits to companies, employees, and the communities in which they reside; and
- ❑ While organizing and forming a learning consortium is not easy, paying attention to key details can lead to success.

This *Business Assistance Note* was developed from the National Workforce Assistance Collaborative publication *Approaches to Forming a Learning Consortium: A Guide for Service Providers*, published by the National Alliance of Business. Information on obtaining *Approaches* can be found at the end of this note.

Learning Consortium

A group of companies that come together to learn from each other in order to

- ✔ Develop new capabilities,
- ✔ Build the skills of their employees, and
- ✔ Increase the productive capacities of their enterprises.

Definition of A Learning Consortium

In general, a learning consortium is a group of companies that come together to learn from each other in order to develop new capabilities, build the skills of their employees, and increase the productive capacities of their enterprises. Some consortia, however, do not restrict their membership to companies. They may include such parties as labor,

educational institutions, job training organizations, economic development agencies, or community organizations. Even in learning consortia with broad memberships, the cornerstone of the consortia is to make member companies more competitive.

Garment 2000

Garment 2000 is a consortium of small and mid-sized garment businesses in the San Francisco Bay Area working with organized labor and the City College of San Francisco to convert from high-volume to high-value production. The consortium provides training for both managers and line workers, customized technical assistance to help each company develop and implement a conversion plan, and networking opportunities where the companies can learn from each other. *Contact: Eva Schiorring, City College of San Francisco, 415/550-4439.*

Most learning consortia undertake both work*force* and work*place* development efforts. A consortium's work*force* development efforts concentrate on building the skills of the individuals in member companies (including management staff), while its work*place* development efforts aim at improving the productivity and efficiency of the companies' workplace processes and strategies.

Members of learning consortia engage in *cooperative* learning, or learning from each other. In learning consortia, the interaction of the members is key. Firms share knowledge and work together to build their productivity and competitiveness. In a learning consortium, members engage in an ongoing process that provides both firms and any organizations working with them an opportunity to be more reflective about where they are trying to go and what might be the best strategies for getting there.

While the key feature of learning consortia is *cooperative* learning, most learning consortia also engage in *collective* learning, or training. Consortium members will come together to jointly develop, purchase, or share training, thus reducing the costs of training to any one firm. In these training efforts, the locus of control and power rests with the consortium, not the training providers. Members define their training needs and learning objectives and seek providers willing to meet their specifications. They do not have to fit their needs within existing classes defined by the providers.

Issues in Forming A Learning Consortium

There is no single approach to forming a learning consortium. There are, however, a number of issues that most consortia will have to address at some time during their existence if they are to succeed. These issues are the same, whether the consortia are formed by educational institutions, economic development organizations, business associations, or private entities.

The issues involved in forming a learning consortium might arise in a variety of orders – they are not numbered steps that can be followed one after the other. Some of the issues are interrelated and may need to be addressed simultaneously. Some may never be resolved once and for all, but instead have to be visited and revisited over the consortium's lifetime. The issues are as follows:

Creating a Concept

Most learning consortia need to start with an *initial concept* – an idea about what they will try to accomplish and who will be involved. This initial concept is not cast in concrete, it is a working concept, used to discuss the consortium with potential members and generate a base of support.

Consortia can be formed for a broad purpose, such as revitalizing an industry, or a more narrow purpose, such as enhancing companies' workforce and workplace development efforts. They can restrict membership to just companies, or they can include union or employee representatives, training institutions, or other organizations as well.

Building Membership

There is no learning consortium without members. Building membership, however, involves more than just recruiting participants, it also involves educating them about what the consortium can be and helping them to become a cohesive group by building interest, knowledge, and trust.

Issues to Address

- ✔ Creating a concept
- ✔ Building membership
- ✔ Creating an organization
- ✔ Establishing a mission and goals
- ✔ Assessing needs
- ✔ Developing a program
- ✔ Delivering the program
- ✔ Evaluating the consortium
- ✔ Building sustainability

Those at the top of each member organization need to be involved in the consortium in some way if it is to succeed. Interest in the consortium can best be generated by demonstrating how participation will lead to concrete and positive results for every member.

Creating an Organization

A learning consortium must become an *organization* if it is to operate smoothly. It needs to have an operating structure, an individual responsible for keeping the consortium on track, money to cover management and program expenses, and a system for keeping members informed about the consortium's activities.

Members need to be intimately involved in organization creation to ensure that the resulting system will meet their needs. Recruiting a highly skilled and credible "facilitator" – the individual responsible for keeping the consortium on track – is one of the most important tasks in forming a learning consortium.

Establishing a Mission and Goals

Learning consortium members need to jointly develop a mission and goals, specifying their purpose and what they hope to accomplish together. These will build on the initial concept for the consortium, and serve as the overarching framework for consortium activities.

The mission should define what the consortium will do, who will be involved, and what members hope to accomplish. Consortium goals will be most useful if they include both *measures of success* and *milestones for success* so that members can gauge their progress. The consortium should encourage member organizations to go beyond developing *consortium* goals, and define their *own* measurable goals for participation in the consortium, and the organizational accomplishments they hope to attain by participating in the consortium.

Facilitator Responsibilities

- ✔ Assess needs
- ✔ Build focus
- ✔ Generate cohesion
- ✔ Provide access to resources
- ✔ Handle logistics
- ✔ Ease communication
- ✔ Conduct outreach

Assessing Needs

Before a learning consortium can provide an appropriate program of services, it must determine what services its member companies need, both to succeed *in the marketplace* and to be effective participants *in the consortium*. Assessing needs involves determining companies' needs, and conducting measurements of those needs.

Assessments can be conducted in a variety of ways, including observation, written surveys, interviews, focus groups, and individual skill appraisals. To gain an accurate view of companies' needs, the assessments should involve individuals from all levels within each organization.

Developing a Program

The learning consortium will need a program of services addressing companies' needs *as separate organizations* and *as members of the consortium*. Developing a program involves researching the possibilities and cataloging available resources, and then defining the program and acquiring curricula.

If possible, each consortium member should develop its own "conversion plan," its individual path to becoming a high performance organization. The consortium's program of services should then be designed to take all consortium members from where they are to where they want to be. Sometimes services would be provided to all consortium members, sometimes to a subset, and sometimes just to individual members, depending on the needs inherent in the individual conversion plans.

Delivering the Program

The payoff to all of the planning is the actual delivery of

services. For most learning consortia, this includes group training sessions, networking opportunities, and one-on-one consulting services, as well as ongoing program monitoring and course improvement.

- ***Training.*** One of the advantages of a learning consortium is that it provides the opportunity to reduce the costs of training to individual companies by having them shared among a group. Group training sessions can be classroom-based, though opportunities for "hands-on" learning and site visits where members can see new technology and work processes first hand can be very constructive.
- ***Networking.*** Networking opportunities might well be the most valuable component of learning consortia. Companies working together to achieve high performance can share problems and develop solutions, thereby shortening their learning curves. Networking can take place in formal sessions, or it can happen informally, during seminars and training classes.
- ***Consulting.*** Because each company will have some needs not shared by other consortium members, it is important to provide individualized consulting services to help member companies follow their own conversion plans and attain the goals they have set for themselves. By contracting for consultants as a group, consortium members may be able to secure price discounts for needed services.
- ***Monitoring.*** Individual training, networking, and consulting programs need to be monitored on an ongoing basis to ensure that the programs are meeting companies' needs. Where programs aren't meeting these needs, they should be adjusted or revised as soon as possible. Monitoring can be conducted through informal feedback sessions, or through more formal written evaluations.

Massachusetts High Performance Manufacturing Consortium

The Massachusetts High Performance Manufacturing Consortium is a group of eight small to mid-sized companies, mostly electronics or electronically related firms, working together to become high performance organizations. Led by representatives from member firms, this consortium reduces the firms' training costs by sharing firms' existing training resources among members and jointly developing or contracting for training services from outside providers. In addition, the consortium assesses members' needs, provides some on-site consulting services, and promotes networking among members so that they can learn from one another. *Contact: Kristie DePrete, Bay State Manufacturing Networks, 617/292-5100.*

Members also need to be prepared for their own program delivery responsibilities. This may include providing release time for employees in training or networking sessions, ensuring that the appropriate staff are available to work with a consultant, and collecting and providing relevant data for program monitoring. If the program is to be successful, members will need to reinforce new learning at the worksite and encourage integration of new knowledge and ideas into company work practices.

Evaluating the Consortium

While it is important to continually gain feedback and rethink, redesign, and improve the consortium's *programs*, it is also necessary to periodically conduct more comprehensive evaluations measuring the consortium's progress against its stated goals. These evaluations should measure progress against the consortium's goals for itself, for its individual program components, and for each of its members. Evaluation could involve performance or skill assessments of individuals; surveys, interviews, or focus groups of consortium members; or reviews of company performance data or economic indicators.

For evaluations to have any value, their results must be used to improve the consortium. This might require revising consortium operating processes or programs, or even member companies' own improvement plans.

Building Sustainability

Some learning consortia are created with a fixed end point in mind, like helping members to attain ISO 9000 certification. Once their objective is achieved,

these consortia might choose to disband. Many learning consortia are focused on continual improvement; their members hope to work together for years. The latter will need to strengthen their structures, systems, relationships, and resources to promote longevity.

For a consortium to be sustained, members must realize concrete benefits from participation. They also have to develop a strong sense of "community" among themselves as partners in an enterprise. Members should establish solid working structures and become adept at operating the consortium. They must also find a stable, reliable base of funding to cover ongoing operations, as well as targeted funding to cover specific consortium activities. This funding could be from outside sources, such as grants, or from the members themselves, in the form of dues and service fees.

Benefits of A Learning Consortium

The benefits of membership in a learning consortium are many. The process of working together as a group and learning cooperatively is extremely powerful. Members can share problems, solutions, and ideas with each other, thereby reducing the number of mistakes they make and shortening their learning curves. In many cases, consortium members, collectively, have all the answers they need to succeed – all they have to do is learn to share.

Through consortia, training costs can be reduced, training resources expanded and training relevancy improved. Consortium members can reduce their costs by sharing training development and delivery expenses. They can expand their access to training resources by sharing curricula, facilities, and trainers. By combining their resources, members might also be able to research and design new programs that they could not have developed on their own. Finally, with the leverage members gain by being part of a group, they can persuade education and training providers to tailor course content to meet their needs.

While these benefits hold for both small and large companies, they are of particular importance for smaller firms. Few small or mid-sized companies would be able to achieve these benefits without becoming part of a consortium, while many larger companies might be able to achieve them on their own.

When the benefits of shared learning and training are added together, everyone gains. Companies' competitiveness is improved. Employees' employability and value – potential wage – are enhanced. And for communities, there is increased economic activity and a stronger tax base.

Garment 2000 introduced modular manufacturing to one of its members. Once successfully instituted

- ✔ Productivity rose 20%, and
- ✔ Workers' earnings increased 10 to 30%.

Keys to Success

Organizing and forming a learning consortium – or any consortium – is not easy. There are many barriers to success, including companies' lack of information and resources. But the barriers can be overcome, and the benefits of a consortium, particularly for small and mid-sized companies are great. To succeed, consortia should:

- ✔ Build on the success of earlier efforts. Create consortia out of earlier group or collaborative efforts. Once in operation, seize on each small success and use it to spur members on to even greater achievements.
- ✔ Establish trust among members. Trust is the foundation upon which a consortium is built. Members need to develop strong relationships among themselves and come to "own" the consortium.
- ✔ Find a highly skilled facilitator, with the trust and respect of all members, to work with the consortium. A facilitator can make or break a consortium.
- ✔ Develop a common mission that all members can support. Make sure the goals are realistic and achievable – and measurable. Stay focused. Do not try to be all things to all people.
- ✔ Involve people from all levels of participating organizations. They should be involved in goals setting and assessment exercises, and participate in training programs – as learners and trainers.

- ✔ Continually improve and redesign programs and services. Learn from earlier efforts. Build on earlier successes.
- ✔ Create a sense of permanence and stability. A clear purpose, structure, and process will provide security. Preparing members to take ownership of the consortium – giving them control of activities – will help secure their continuing involvement and support.
- ✔ Demonstrate to members that participation in a learning consortium will benefit them directly. Offer concrete value up front, spell out, clearly and succinctly, the gains that will accrue to members. Help companies see the whole picture. Not only will the companies be able to obtain customized training they could not otherwise afford, but, by working together, members will be able to improve productivity, quality, and profitability.

The benefits to be gained from learning consortia are real. Company members attest to lower training costs, better quality training, improved work processes, and increased productivity. While the barriers to forming learning consortia exist, they can be overcome, and they are worth overcoming.

Further information on the issues presented in this note can be obtained from:

Andrews, William G., Keith W. Bird, and Eric Brown *The Industrial Consortium Strategy: A Successful Cooperative Effort Involving Education and Business* (Manchester, NY: New Hampshire College and University Council).

Collaborative Strategies, Inc. 7348 Malvern Avenue, Philadelphia, PA 19151-2209, phone and fax 215/473-5393, e-mail lichtenstein@connectinc.com.

Hatch, C. Richard, *The Network Brokers Handbook: An Entrepreneurial Guide to Cooperative Strategies for Manufacturing Competitiveness* (Gaithersburg, MD: U.S. Department of Commerce, National Institute of Standards and Technology, Manufacturing Extension Partnership, 1995).

National Workforce Assistance Collaborative, *Approaches to Forming a Learning Consortium: A Guide for Service Providers* (Washington, DC: National Alliance of Business, 1995).

Parker, Eric and Joel Rogers, *The Wisconsin Regional Training Partnership: Lessons for National Policy* (Preliminary Report to the National Center on the Workplace, January 1995).

Rosenfeld, Stuart and Brian Bosworth, *Significant Others: Exploring the Potential of Manufacturing Networks* (Chapel Hill, NC: Regional Technology Strategies, Inc., 1993).

USNet, Regional Technology Strategies, P.O. Box 9005, Chapel Hill, NC 27515-9005, phone 919/933-6688, fax 919/933-6688, e-mail sar218@connectinc.com.

– Terri Bergman

***The National Workforce Assistance Collaborative** builds the capacity of the service providers working with small and mid-sized companies in order to help businesses adopt high-performance work practices, become more competitive, and ultimately advance the well-being of their employees. The Collaborative was created with a cooperative agreement grant from the **Department of Labor** to the **National Alliance of Business**. Current partners on the project include the Council for Adult and Experiential Learning, the Institute for the Study of Adult Literacy at The Pennsylvania State University, the Maryland Center for Quality and Productivity, and the National Labor-Management Association. The Collaborative provides assistance in four areas: employee training, labor-management relations, work restructuring, and workplace literacy. Collaborative publications can be obtained from the National Alliance of Business Distribution, P.O. Box 501, Annapolis Junction, MD 20702, phone 800/787-7788, fax 301/206-9789, or e-mail info@nab.com. They can also be downloaded from the Collaborative's gopher server (info.psu.edu – open "Information Servers at Penn State," and "Research Centers and Institutes") or world wide web home page (http://www.psu.edu/institutes/nwac). For more information on the Collaborative, contact the National Alliance of Business, phone 800/787-2848, fax 202/289-1303, or e-mail nwac@nab.com.*

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